

Task Force on the Financial Plan
Meeting minutes, May 8, 2008

Present: Shirley Baker, Sharon Bostick, Annie Busch (via conference), Sharon McCaslin, Jim Cogswell, Valerie Darst, Beth Fisher, Neosha Mackey, Loretta Ponzar, Julia Schneider
Guests: Christopher Gould, Joe Ford (via conference)

- I. The meeting began at 10:00AM. Sharon McCaslin, Chair, began by reviewing the financial spreadsheets completed by Joe Ford and began the discussions on calculating the assessments.
- II. Sharon McCaslin indicated to the group they need to address item records, patron records, circulation activity, licenses and lending/borrowing issues. Shirley Baker commented on how MOBIUS would regularize the public libraries and their possible interest in becoming full members later on. Sharon McCaslin discussed the costs regarding lending/borrowing with 20% taken off for lending from the 40% charged for borrowing. Jim Cogswell wanted to know what the ramifications would be for the institutions over time. Various formulas were discussed with the final consensus given to the Access Borrowing Formula which has items and no bib records. Christopher Gould gave a brief overview of the INN Reach table where load balancing is figured. Sharon McCaslin mentioned that clusters borrow more outside their clusters than within their clusters. Julia Schneider was concerned how stable the figures are from year-to-year. The group discussed institutions purging records and Loretta Ponzar commented that many institutions have not done that for awhile. Neosha Mackey stated that people can have multiple patron records. Beth Fisher stated that there was discussion on transferring the old licenses to the new model but that the University did not want to bear the cost. Sharon McCaslin suggested that the assessment formula be flexible. Jim Cogswell suggested using three years of statistics for borrowing/lending to figure the percentage. It would not include patrons, items or licenses. Loretta Ponzar questioned how the larger institutions would be affected by any formula projection. Valerie Darst discussed how the formulas would affect the smaller institutions such as MACC.
- III. Sharon McCaslin began discussing how MOBIUS would transition into this new financial plan. There will be big changes and MOBIUS must have good statistics to begin with. A suggestion was to implement 1/3 now, 1/3 the next year and then the rest the following year. Beth Fisher was concerned that when institutions begin to clean out records there is no process in place when they start to weed those out and we could lose important material. Julia Schneider said that Missouri Western was already beginning to purge records. Sharon McCaslin suggested that institutions check with MOBIUS before purging records. Beth Fisher was concerned about who would complete the work for the smaller institutions that have a limited number of staff. Neosha Mackey commented that we will need to have information for the institutions when they discuss this new formula with their Chief Financial Officers. This should explain why the increase was made and what they are getting for their dollars. There was discussion by the group of various ways to communicate and disseminate this information with the institutions. Shirley Baker suggested making sure that the institutions understand that they get a good return for their dollar and that we recognize that this is a difficult situation for everyone. Beth Fisher suggested possibly working with Outfront Communications on an informational document. Julia Schneider commented that years ago it was very inexpensive for the smaller institutions to come on board with MOBIUS. Jim Cogswell discussed the value of using MOBIUS which is access to the number of records, number of items loaned

- and the cost of technology and operation – the costs are the number of patrons and the number of items borrowed. He suggested thinking about how we can manipulate the percentage to benefit everyone.
- IV. Annie Busch and Joe Ford joined the group via Adobe Connect. Annie stated that libraries can have big collections that aren't valuable. Joe Ford stated that the assessments and impact issues have value and merit. Beth Fisher stated that training, the courier service and electronic resources are additional. Shirley Baker wanted to know what was included in the ongoing costs. Annie Busch stated that she felt there were two classes of libraries, those that operate on a centralized system and those that do not. Joe Ford suggested developing the criteria for the classes of institutions and then compose the document. Joe Ford suggested the criteria for assessment would be 1) MOBIUS libraries using full Millennium services, 2) MOBIUS libraries that operate their own system, but using INN Reach and 3) public libraries with their own system, using INN Reach. Annie Busch questioned whether those institutions who are sharing systems be broken out accordingly.
 - V. Joe Ford will restructure the financial model to reflect participant types and add a participant designator to each institution. The cost formula would be based on the participant type. Beth Fisher was questioning whether there should be some sort of cost for institutions to participate in the union catalog. Joe Ford will identify the costs for each institution related to INN Reach, the courier service and Millennium. Beth Fisher stated there were cost elements that are specific to some individual libraries that are shared by all. Joe will try and tie correct costs to the correct institution.
 - VI. Joe Ford reviewed the new financial spreadsheets with participant types and the associated costs and features. Joe stated that the fees would be based on the features that the institutions used. St. Louis University and Washington University pay memberships fees and in turn can vote, etc. There could be a reoccurring annual charge for Missouri River Regional Library and Springfield Greene County Library. Shirley Baker commented that, at this time, the MOU and the By-laws do not allow Springfield Greene and Missouri River Regional Library to be full members of MOBIUS. Beth Fisher stated that it would be hard to attract public libraries into MOBIUS if they don't have a vote. Discussion followed on what to keep and drop on the financial spreadsheet. Joe will go through the spreadsheets and make the necessary changes as discussed. He will also complete a rolling, 3 year average for in-cluster and INN Reach services with borrowing/lending separated. He also projected the figures in the annual charges for the group to review. Beth Fisher reminded Joe to not assign a dollar amount but to use the percentages for adjustments.
 - VII. The group discussed including and reworking administrative overhead charges, cost inflation, capital reserves and a contingency fund. Beth Fisher and Joe Ford will visit in the near future to discuss what Joe will need from the MCO office to complete his revised financial spreadsheet.
 - VIII. Valerie Darst gave the group the timeline for the Task Force on Strategic Planning. This group wants to have their mission, vision and values ready for discussion at the upcoming Council meeting on June 3, 2008.
 - IX. Sharon McCaslin discussed other upcoming meetings – where and when to meet and what needs to be accomplished. A conference call will be set up for Friday, May 16, 2008 at 10:00AM for one hour to continue the discussions.
 - X. The meeting concluded at 2:00PM.

Respectfully submitted by Susan Hatfield, May 8, 2008

